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RHMFIUU/CDR USAFRICOM STUTTGART GE  
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RHMFIUU/CJTF HOA  
RUEAAMC/CDRUSASAC FT BELVOIR VA  
RHMFIUU/CDRUSASAC NEW CUMBERLAND PA  
RHMFIUU/COMSOCCENT MACDILL AFB FL  
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RUEASRA/CDR ARCENT FT MACPHERSON GA  
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SIPDIS

DEPT FOR AF/E, PM/RSAT ARCHETTO FROM THE AMBASSADOR

E.O. 12958: N/A

TAGS: [ETTC](#) [MASS](#) [PARM](#) [PREL](#) [KE](#) [XW](#)

SUBJECT: COUNTRY TEAM ASSESSMENT FOR SMALL ARMS FOREIGN  
MILITARY SALE TO KENYAN ARMY FOR FY 2008

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Summary  
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¶1. The Government of Kenya has been a close partner for the U.S. in many areas, including in military cooperation. They have provided important support in the Global War on Terror in spite of the risk they face, and it is in our interest to help them modernize their military forces to better provide that support. The Kenyans are in the process of seeking vendors to modernize their small arms inventory, and our Security Assistance Office was recently able to convince the Kenyan Ministry of Defense to submit a request for U.S.-manufactured M-16A4/M-4 carbine rifles rather than the Chinese-manufactured equivalent. The completion of this sale would represent one of the largest of its kind in sub-Saharan Africa with a low risk of unauthorized proliferation. Should the sales expand to other countries in the region (as we expect), there would also be an opportunity to shape the small arms landscape in the region and shrink the size of the illegal small arms market. Country Team strongly recommends the expedited approval of this request, as a delay in delivery could result in a loss of the sale. End Summary.

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Kenya: A Close and Important Regional Partner  
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¶2. The Government of Kenya has demonstrated outstanding support for U.S. and coalition operations in the Horn of Africa (HOA) region. They have allowed a continuous US DoD presence in Manda Bay that allows for training and combined operations in support of counter-terrorism operations and anti-piracy actions. They have maintained one of the only long-term access agreements that allows unparalleled cooperation for U.S. military aircraft, permits DoD personnel to enter and exit the country by simply presenting an ID card, provides a safe location for hub operations throughout the HOA region, and provides a Status of Forces Agreement that safeguards US DoD personnel. Kenya is among our strongest supporters in the region and a key friend in the regional war on terror.

¶3. Since the 1998 bombing of the U.S. embassy in Nairobi,

the Government of Kenya has provided firm support for the Global War on Terrorism, but Kenya's threat profile for terrorist attack remains one of the highest on the continent. Due to its strategic location and the stability of its pro-democracy government, Kenya is a top priority country for support from the United States. Even though Foreign Military Funding was suspended from 2005 until January of 2008 because of ASPA sanctions, Kenya continued to work with the U.S. in creating a joint strategic approach to coastal and border security in a 2005 white paper endorsed by the Kenyan Chief of General Staff. (Note: The strategy is now in the process of being updated. End Note.)

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Military Planning to Upgrade Outdated  
Small Arms Stocks...And Talking To China  
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¶4. The Kenyan military is planning to modernize its military -- in particular, its small arms stocks -- by replacing the (nearly obsolete) German-made 7.62mm G3 rifle, which is standard issue for military personnel. The Government is already in the process of re-tooling its ammunition factory to manufacture smaller, lighter 5.56mm ammunition to accommodate the phase-in of new weapons, and it has been in discussions with several countries, including China, to find a suitable vendor.

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...But They'd Like to Buy American  
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¶5. The desire on the part of the Kenyans to increase the interoperability between Kenyan and U.S. military forces and the persistent effort by the Security Assistance Office in Kenya to engage the Kenyan military has led to an agreement by the Kenya Ministry of Defence (KMOD) to modernize with U.S.-manufactured equipment, particularly M-16A4 and M-4 carbine rifles in lieu of procuring similar weapons from China, specifically the Chinese export 5.56mm caliber carbine, the QBZ95/97.

¶6. To this end, the Kenyan Government recently submitted a Letter of Request for 10,000 M-16A4/M-4 carbine rifles and 150 MK-19 grenade launchers. Based on our discussions with KMOD, this will likely represent the first in a series of such purchases that will ultimately result in the purchase of over 40,000 weapons, with all associated accessories, over the next three to five years. This series of purchases will re-arm Kenya's Army, Navy, and Air Force and are in line with the current and projected strength of Kenya's armed forces. Over time, the dollar value of these Foreign Military Sales cases is expected to exceed USD60-80 million; likely one of the largest set of sales of their kind in sub-Saharan Africa.

¶7. The requested equipment would modernize Kenya's military, but not fundamentally alter its force structure. Changes would include a complete fielding of new individual firearms for all military personnel. These weapons systems are not considered to be sensitive technology.

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USG Interests: Better Security, More  
Interoperability, Influence Over Future Sales  
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¶8. Supplying Kenya with this equipment has long-term benefits that squarely fit U.S. national interests. Not only will this sale solidify our relationship with the Kenyan military, it will also contribute to the Kenyans' ability to control their porous borders, which will result in improved stability and security in the region. Also, by moving from their current small arms weapon (7.62 mm) to a 5.56mm weapon, the Kenyans would be interoperable with U.S. and NATO forces, which would assist in their full

integration into future peacekeeping missions on the Continent. Kenyan officials have hinted that the remainder of Kenya's security forces could also over time be equipped with U.S.-manufactured small arms.

¶9. The Kenyans are also investigating the possibility, through the Security Assistance Office at Post, of obtaining a license agreement with the manufacturer to produce spare parts for and possibly manufacture new weapons at their ordnance factory. If this came to fruition, we might expect that the neighboring countries would offer a market for U.S.-manufactured small arms as well. If neighboring countries also adopt this weapon system and responsibly dispose of their excess (7.62mm) weaponry, we could expect the availability and market for the ubiquitous AK-47 variant 7.62mm weapons to drop dramatically. Also, the purchase of U.S. military technology guarantees U.S. influence over future arms sales. The implications for the reduction of illegal small arms proliferation and trafficking in Northeast Africa are significant.

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What Will the Neighbors Think?  
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¶10. We expect only positive reactions from neighboring countries, and believe they will want to adapt to the same weapons system in the future. This is evidenced by the fact that dozens of nations worldwide are now seeking to convert to U.S. manufactured small arms. The superior quality of the M-16A4 and M-4 has resulted in demand that

far exceeds supply. As such, it is very important to USG interests that priority partner countries like Kenya are moved to the top of the procurement list.

¶11. Kenya at any one time has between 200 and 250 U.S. military personnel in-country. There have not been any negative incidents or reactions to these personnel in Kenya.

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Operation, Maintenance, Support  
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¶12. Training will be required initially, as these weapons systems have not been utilized in Kenya before, but the number of personnel required will be small. We are expecting that a small initial cadre will be required to teach the use and employment of the weapons as well as an initial cadre for maintenance of the weapons systems. Once the initial groups of Kenyan military are trained, we expect that the Kenyans will be able to continue training the remainder of their forces on their own.

¶13. The Kenyans have a maintenance program in place for their existing small arms inventory, and they will institute similar procedures to properly maintain U.S.-manufactured weapons. The Kenyans have expressed an interest in developing their own capability to manufacture spare parts, which, in close coordination with the U.S., could make for a sustainable long-term weapons maintenance program.

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Kenyan Military Can Safeguard  
and Account For Small Arms  
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¶14. The proliferation of small arms is a definite problem in the region, and Kenya is no exception. There is a vigorous black market for AK-47s reportedly coming from Uganda, Southern Sudan, South Ethiopia, and Somalia. Traditionally, illegal arms have been used by pastoralists to protect their herds from cattle raiders. Since the post-election crisis, we have heard reports of a surge in the illegal small arms trade for militias and internally

displaced persons.

¶15. We have heard no reports, however, that small arms from the Kenyan military have found their way to the black market, and the military successfully resisted attempts during the post-election crisis to divert their weapons stocks to militias. The Kenyan Army provides excellent security at facilities where weapons are stored, and their 100 percent weapons accountability policy includes field checks during operational maneuvers. Kenya is an active member of The Regional Center for Small Arms (RECSA), which is headquartered in Nairobi and was formed to prevent, combat and eradicate stockpiling and illicit trafficking in small arms and light weapons in the Great Lakes Region and Horn of Africa. At a recent RECSA conference, the Government of Kenya committed to labeling all small arms owned by the police and military forces to prevent proliferation.

¶16. The black market for weapons in Africa centers on 7.62x39mm weapons like the AK-47, because they (and ammunition for them) are available in abundance. The Kenyan military's use of the G3 rifle (which uses 7.62x51mm NATO ammunition) is a poor sell on the black market, as the only ammunition available for it is manufactured in a government-run ammunition factory in Eldoret (where ammunition does not have a history of being "leaked.") Nevertheless, we would encourage the Kenyans to phase out the G3 in a responsible manner: once the military no longer needs them, they could be transferred to the police forces that use both G3s and AK-47s, and sponsor a destruction or U.S. Government buy-back program so that old AK-47s do not

end up on the black market. If we were to eventually allow the Kenyans to develop the capacity to manufacture M16A4/M4 weapons in Kenya for sale to other regional military forces (many of whom still do use AK-47s, which no doubt do contribute to the black market problem), the U.S. would retain control of the sale of those weapons and could leverage it to encourage further AK-47 destruction or buy-back programs.

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Human Rights Considerations  
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¶17. While human rights considerations are important when contemplating any weapons sale, we believe that there would be no adverse consequences that will come from the modernization of existing small arms inventories. On the contrary, there is a potential benefit if the responsible weapons conversion of regional military forces results in a smaller black market for the now-ubiquitous AK-47. Should the Kenyans choose to modernize to 5.56mm weapons but instead buy Chinese, we will lose the ability over the long term to influence the destruction on proliferation-sensitive weapons in regional military arsenals.

¶18. The African continent has become a dumping ground for the world's small arms, and the easy availability of weapons has worsened the human toll of violent conflicts and crime across Africa. Our advocacy for this sale signals the recognition of our dual responsibility to protect human rights and to build the capacity of the Kenyan military to fulfill its legitimate mission (which includes peacekeeping -- Kenya is a leading contributor to them and hosts the International Peace Support Training Center). By providing low proliferation-risk weapons to a responsible military force, we meet both obligations. Should we move forward with other potential sales in the region, it will become even more important to ensure the reduction of black-market-friendly weapons and to prevent the creation of a new 5.56mm-based black market. This will require careful consideration of each potential partner military force.

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Financing Would Not Break Kenya's Bank  
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¶19. Kenya will be using a combination of Foreign Military Financing (FMF) and national funds to purchase this equipment. Kenya's weapons modernization program has been planned and budgeted for several years, and the small arms sale is one of many taking place. (Note: Other sales include major systems, such as helicopters, unmanned aerial vehicles and artillery systems from multiple companies in multiple nations, including South Africa and China. End Note.) The sale of U.S.-manufactured small arms under Foreign Military Sales (FMS) opens the door to the use of FMF grant aid to fund a portion of the purchase, which will actually lessen the burden on the Kenyan budget by reducing the amount of national funds required to complete the purchase.

¶20. The total expected value over the course of the complete sale could reach USD80 million over the next three to five years, or approximately USD20 million per year on average (assuming that the entire military is equipped with new weapons). The GoK's FY 2007/08 budget (July-June) planned expenditures of Ksh 693.6 billion (USD 9.9 billion), and revenues of Ksh 428.8 billion (USD 6.1 billion), left a Ksh 264.8 billion (USD 3.8 billion) deficit, equivalent to 5.3 percent of Gross Domestic Product, which was covered by the proceeds from privatizations of state-owned corporations and Initial Public Offering (IPO) receipts. A USD 20 million small arms sale would represent approximately two percent of the annual budget.

¶21. On the other hand, the security and economic impact for U.S. interests has the potential to be significant. The Kenyan military is planning to cancel purchases of other equipment to fund the purchase of the initial allotment of the U.S.-manufactured weapon systems. If a licensing agreement is eventually granted for Kenyan manufacture of these systems and neighboring countries join in the procurement (with proper USG permissions in place), the total monetary value might be expected to climb into the hundreds of millions, possibly billions of dollars over the next 15 years. Because of the proliferation-sensitive small arms inventories of many of the region's military forces, it is entirely feasible that we have the opportunity to positively influence the small arms landscape and culture in Northeast Africa through this watershed initiative.

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Fast Track Delivery Needed to Ensure Sale  
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¶22. In light of these facts, Embassy Nairobi strongly recommends that the USG rapidly facilitate the purchase of the M-16A4/M-4s as well as MK-19s. The Kenyans have expressed to us that, as much as they prefer U.S.-manufactured equipment, any significant delay in manufacturing or delivering these items would force them to reconsider their request. Post asks that this initiative be fast-tracked to the best of our capabilities. We do not want the Kenyans to re-initiate their dealings with the Chinese or any other nations to obtain small arms due to delays in U.S. procurement.  
Ranneberger